



## NELSON COMPLETES SUCCESSFUL GEOPHYSICS PROGRAM AT WOODLINE PROJECT

### Highlights:

- Completion of an ultra-high-resolution ground magnetics survey at the Redmill and Grindall Prospects.
- Drilling target geological units have been identified from the magnetic survey and extend for 2.5 km and 1.5 km at Redmill and Grindall. The target geological units are open beyond the extents of the magnetic survey.
- Fieldwork at West Socrates has identified a target structure which extends for more than 1 km from mapping and rock chip sampling.
- Follow-up Induced Polarisation, and Electromagnetic geophysical surveys are scheduled to commence in October.
- Exploration drilling is planned for targets at Redmill, Grindall and West Socrates in late October.

**Nelson Resources Limited (ASX: NES) (Nelson or the Company)** is pleased to provide this exploration update for its 100% owned Woodline project in the Fraser Range, Western Australia.

An ultra-high resolution ground magnetics survey was completed at Redmill and Grindall. Previous works has identified a 20km gold geochemical anomaly where limited drilling intersected mineralisation in the host bedrock. The survey was undertaken to more clearly define this anomaly and included more than 400 line kilometres of ground magnetics on 20m line spacings. The survey has successfully identified the target geological units which are interpreted to host mineralisation that was intersected in previous Sipa/Newmont drilling, which returned 10m @ 1.29g/t Au from 64m, including 1m @ 7.80g/t Au from 71m (TFC010)<sup>1</sup> and 12m @ 0.76g/t Au from 64m, including 1m @ 9.14g/t Au from 64m (HEC001)<sup>2</sup>.

Field mapping has also identified a further structure which extends for more than 1 km at West Socrates. Rock chip sample results from the surface outcrops of the structure include 0.42 and 0.18 g/t Au.

Commenting on the recent results, Nelson's Executive Director and CEO, Adam Schofield said:

*"I am thrilled with the outcome of the recent fieldwork which may confirm a potentially large gold zone that should be linked to the previously identified 20km gold geochemical strike. We have clearly defined favourable targets for follow-up ground geophysics and drilling which is a significant step forward for the project. We anticipate drilling will commence in late October, with the results likely to be announced in December".*

### CAPITAL STRUCTURE

#### ORDINARY SHARES

Issued 114,802,142

#### OPTIONS

Listed options 33,345,410

Unlisted options 15,614,458

### BOARD

Executive Director - Adam Schofield

Non-Executive Chairman - Warren Hallam

Non-Executive Director - Stephen Brockhurst

Company Secretary - Stephen Brockhurst

### LAST CAPITAL RAISE

July 2020

Entitlements Offer & Placement

\$2.355m @ 3.8c



## Technical Discussion

An ultra-high-resolution ground magnetics survey has been completed at the Redmill and Grindall Prospects. The survey included more than 400 line kilometres on 20m line spacings and covers approximately 40% of the strike length of the surface geochemical anomaly for each of the Prospects as outlined in Figure 1, below.

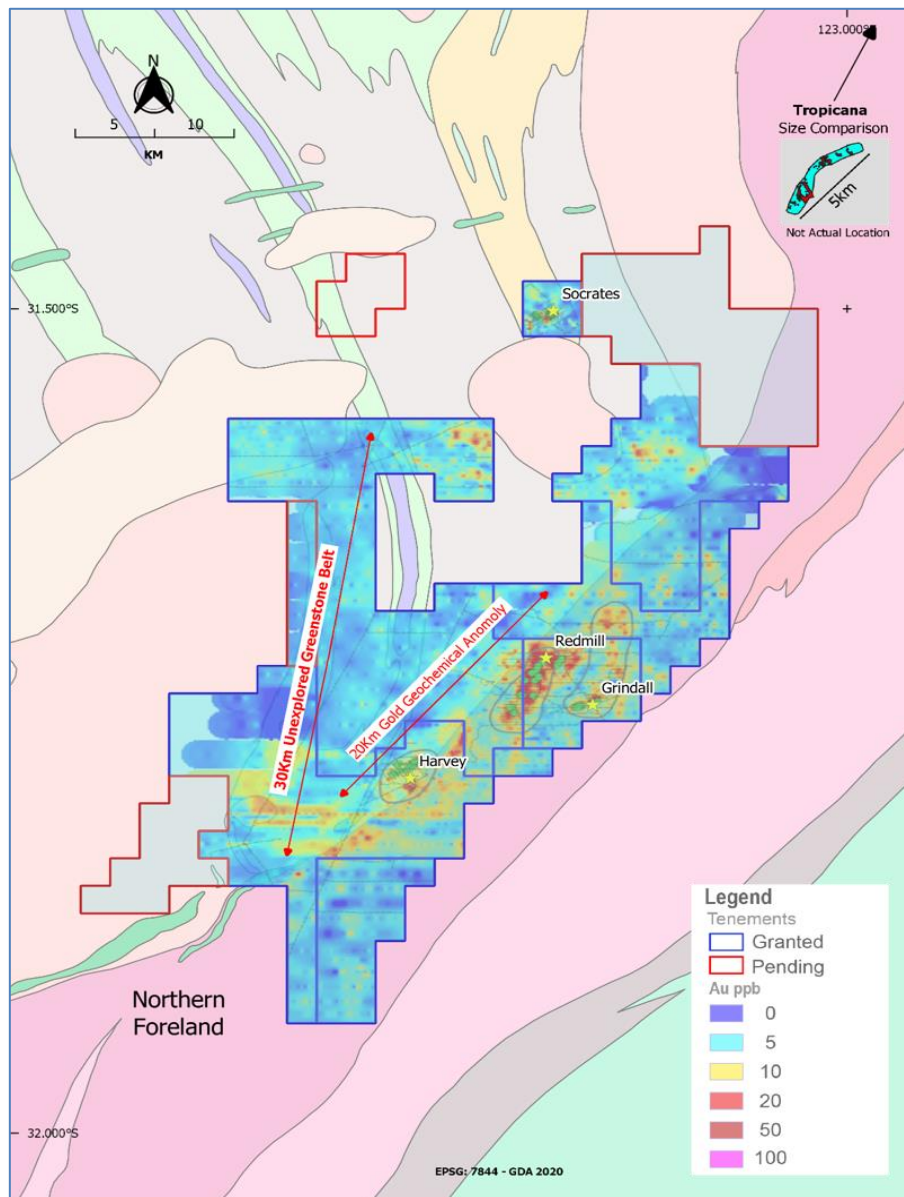


Figure 1: 20km gold geochemical anomaly with Woodline tenure shown (granted & pending).





The magnetic survey has successfully identified the target geological units which have a low magnetic signature and are interpreted to host gold mineralisation that was intersected in historic drilling. The Total Magnetic Intensity at the Grindall and Redmill Prospects is shown in Figures 2 and 3 together with the interpreted target geological unit and historic drill results.

The target geological units show a distinct inflection in the strike at Grindall between the historic drill results and an area of dilation northeast of the historic drill results at Redmill. These areas are considered to be prospective for gold mineralisation by Nelson and will be followed-up in the future exploration programs with geophysics and drilling.

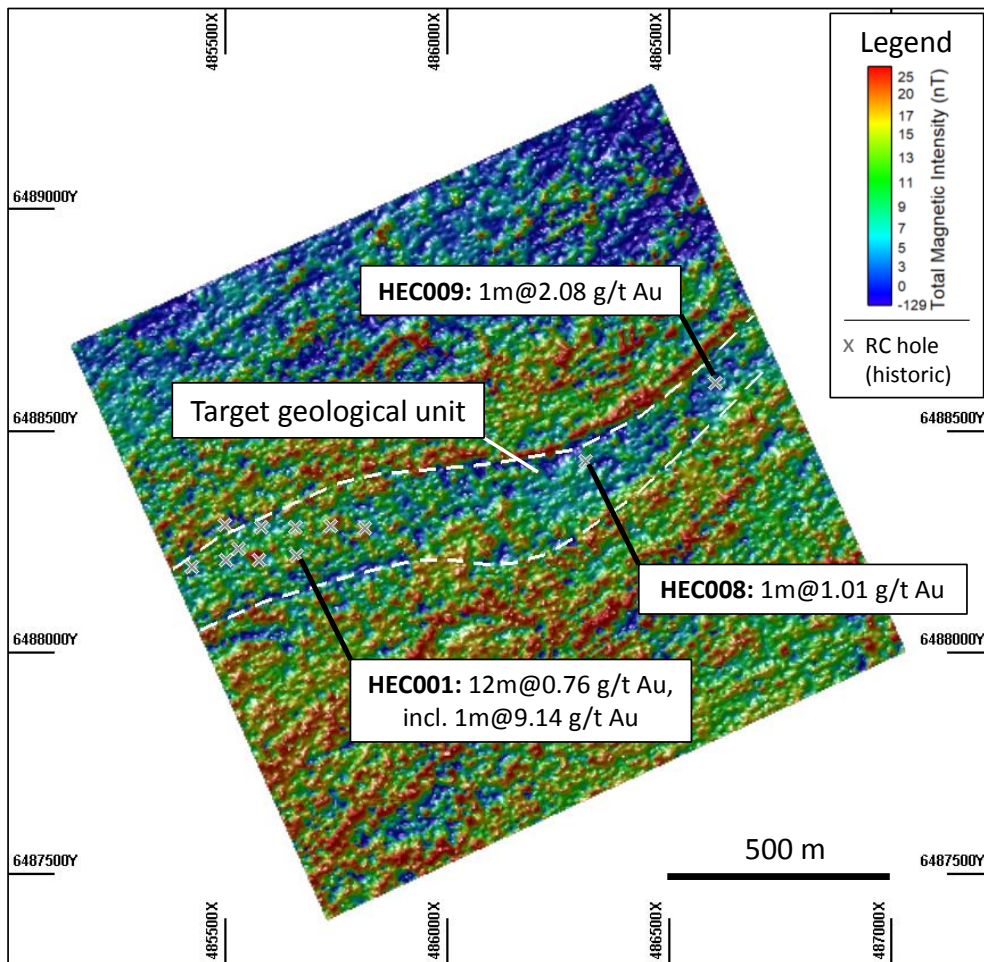


Figure 2: Grindall Total Magnetic Intensity showing target geological unit and historic RC drill holes<sup>2</sup>.



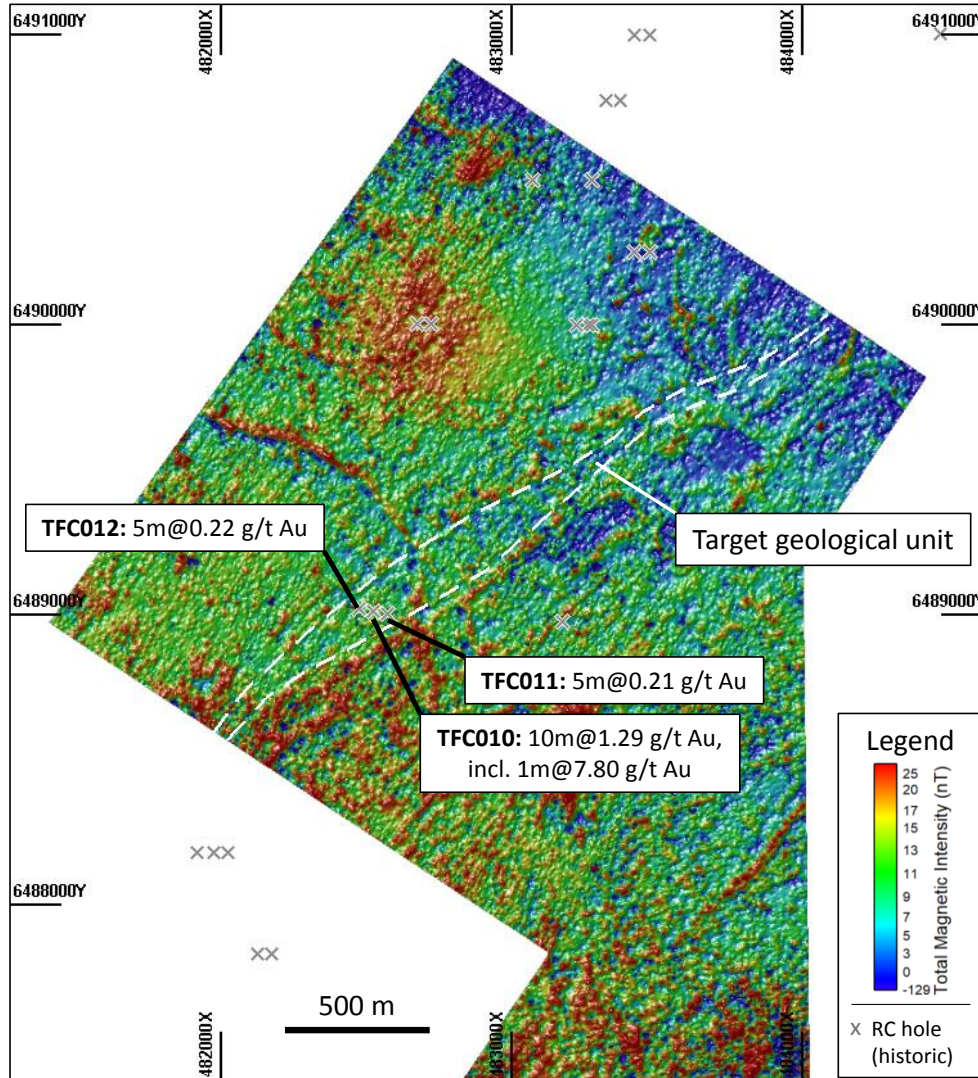


Figure 3: Redmill Total Magnetic Intensity showing target geological unit and historic RC drill holes <sup>1</sup>.

### West Socrates:

Fieldwork has also been undertaken at West Socrates which is located approximately 1km west of Nelson's Socrates Prospect. Previous drilling at Socrates returned:

- 1m @ 142 g/t Au;
- 192m @ 0.5 g/t Au;
- 8m @ 3.53 g/t Au and
- 25m @ 2.06 g/t Au

The fieldwork has identified a structure at West Socrates which extends for more than 1 km at surface. The mapped structure is coincident with a strong electromagnetic feature which has a 400m strike length and is oblique to the strike of the geology in the project area (Figure 4).



Rock chip samples define an anomalous zone of gold mineralisation which outcrops over a strike of more than 100m which is similar to the strike length of mineralisation that outcrops at the main Socrates Prospect. The rock chips, which include 0.42 g/t Au and 0.18 g/t Au, were taken from a highly altered and sheared chert that has significant late-stage quartz veining and disseminated sulphides which are potentially associated with the electromagnetic anomaly at depth.

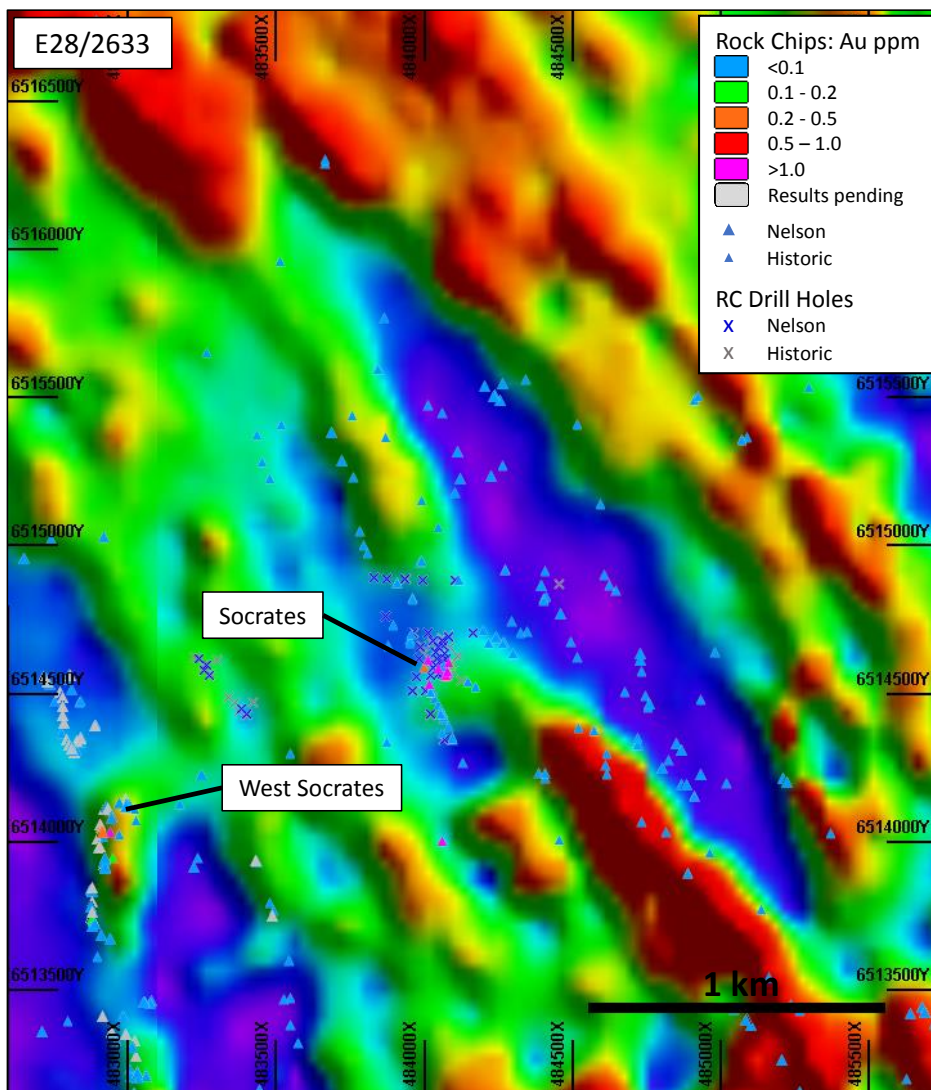


Figure 4: Socrates HoistEM electromagnetic survey 100m depth slice<sup>3</sup> showing the RC drill hole locations and anomalous rock chip sample results at Socrates and West Socrates.

A location plan for the high-resolution magnetic survey at Redmill and Grindall as well as Socrates within the overall Woodline Project are shown in Figure 5.



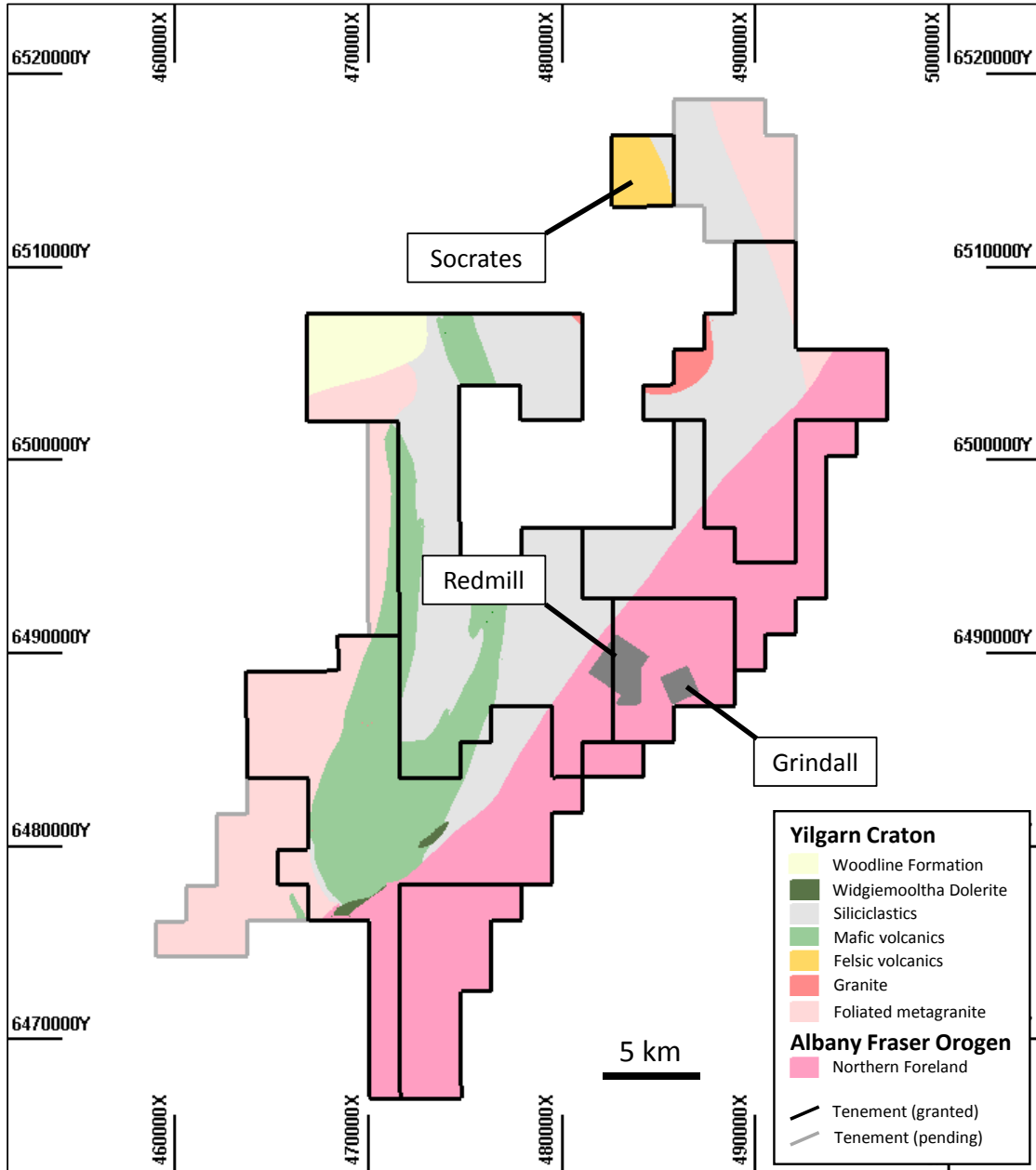


Figure 5: Geology of the Woodline Project showing the locations of the high-resolution ground magnetics survey at Redmill and Grindall as well as the Socrates.





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### **Future Exploration Programs:**

Follow-up exploration fieldwork is currently being planned for Redmill, Grindall and the Socrates area, including West Socrates. Induced Polarisation, and Electromagnetic geophysical surveys to map the disseminated sulphides associated with mineralisation are scheduled to commence in October and exploration drilling is planned for targets at Redmill, Grindall and West Socrates in late October.



## ABOUT NELSON RESOURCES

Nelson Resources is an exploration company with a highly prospective 956km<sup>2</sup> tenure holding. The key focus for the company is its 828 km<sup>2</sup> Woodline Project.

The Woodline Project lies on the boundary of the Albany Fraser Oregon and the Norseman - Wiluna Greenstone belt in Western Australia.

### The Woodline Project contains:

- 45km of the Cundelee Shear Zone which already consists of a known +20km Gold Geochemical and bedrock anomaly, hosted in the same geological structural setting <sup>4</sup> as the 7.7 million ounce Tropicana Gold mine <sup>5</sup>.
- 30km of significantly unexplored greenstones along the Norseman-Wiluna greenstone belt.
- A significant and unique holding within the confluence of the Keith-Kilkenny Fault / the Claypan Shear Zone and the Cundelee Shear Zone. These three Shears have hosted many of the largest gold projects in Western Australia.

Historical exploration of \$14 million by the Company, Sipa Resources, Newmont and MRG.

The 7.7 million ounce Tropicana Gold Mine which is operated by AngloGold Ashanti was discovered in 2005 by IGO Group Limited via a gold-in-soil anomaly that led to further exploration and is one of the most important gold discoveries in Australia for decades. Tropicana currently produces approximately 450,000 ounces per annum <sup>6</sup>. In today's gold price terms, that equates to over A\$1 billion dollars per annum.

Nelson Resources confirms that it is not aware of any new information or data that materially affects the exploration results included in this announcement.

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### Previous ASX Announcements and report references

<sup>1</sup> ASX Announcement 'Woodline Gold and Basemetals Project'. Sipa Resources Limited, 26 May 2011.

<sup>2</sup> ASX Announcement 'Encouraging Drilling Results at Woodline'. Sipa Resources Limited, 18 February 2010.

<sup>3</sup> WAMEX open file report a78296.

<sup>4</sup> <https://www.dmp.wa.gov.au/Documents/Geological-Survey/GSWA-AFO-Korsch-presentations-0012.pdf>

<sup>4</sup> [https://www.dmp.wa.gov.au/Documents/Geological-Survey/GSWA-AFO-Spaggiari\\_2-presentations-0004.pdf](https://www.dmp.wa.gov.au/Documents/Geological-Survey/GSWA-AFO-Spaggiari_2-presentations-0004.pdf)

<sup>5</sup> <http://www.tropicanaajv.com.au/irm/content/reserves-resource-statement1.aspx?RID=284>

<sup>6</sup> <http://www.tropicanaajv.com.au/irm/content/fact-sheet.aspx?RID=318>







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## Competent Persons Statements

*The information in this report that relates to Exploration Results is based on information compiled by Mr James Farrell (MAusIMM(CP), MAIG), a geologist employed by Nelson Resources Limited. Mr Farrell is a Member and Chartered Professional of the Australasian Institute of Mining and Metallurgy and has sufficient experience that is relevant to this style of mineralisation and type of deposit under consideration and to the activity that is being reported on to qualify as a Competent Person as defined in the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Farrell consents to the inclusion in the report of the matters in the form and context in which it appears.*



## JORC 2012 Edition - Table 1

### Section 1 Sampling Techniques and Data

Criteria	JORC Code Explanation	Commentary
<b>Sampling techniques</b>	<ul style="list-style-type: none"> <li>Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</li> <li>Include reference to measures taken to ensure sample representatively and the appropriate calibration of any measurement tools or systems used.</li> <li>Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.</li> </ul>	<ul style="list-style-type: none"> <li>Rock chip samples were selected based on geology and alteration and were biased towards areas that were interpreted to be mineralised.</li> </ul>
<b>Drilling techniques</b>	<ul style="list-style-type: none"> <li>Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</li> </ul>	<ul style="list-style-type: none"> <li>No new drilling results are included in this report.</li> </ul>
<b>Drill sample recovery</b>	<ul style="list-style-type: none"> <li>Method of recording and assessing core and chip sample recoveries and results assessed.</li> <li>Measures taken to maximise sample recovery and ensure representative nature of the samples.</li> <li>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</li> </ul>	<ul style="list-style-type: none"> <li>No new drilling results are included in this report.</li> </ul>
<b>Logging</b>	<ul style="list-style-type: none"> <li>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</li> <li>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</li> <li>The total length and percentage of the relevant intersections logged.</li> </ul>	<ul style="list-style-type: none"> <li>Geological descriptions and photographs were taken by the geologist for each rock chip sample that was collected.</li> <li>No new drilling results are included in this report.</li> </ul>



Criteria	JORC Code Explanation	Commentary
<b>Sub-sampling techniques and sample preparation</b>	<ul style="list-style-type: none"> <li>• If core, whether cut or sawn and whether quarter, half or all core taken.</li> <li>• If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</li> <li>• For all sample types, the nature, quality and appropriateness of the sample preparation technique.</li> <li>• Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</li> <li>• Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</li> <li>• Whether sample sizes are appropriate to the grain size of the material being sampled.</li> </ul>	<ul style="list-style-type: none"> <li>• Rock chip samples were approximately 1 kg. The entire rock chip sample was submitted for analysis.</li> <li>• Rock chip samples were crushed and pulverised to a nominal 85% passing 75 micron.</li> <li>• No new drilling results are included in this report.</li> </ul>
<b>Quality of assay data and laboratory tests</b>	<ul style="list-style-type: none"> <li>• The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</li> <li>• For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</li> <li>• Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.</li> </ul>	<ul style="list-style-type: none"> <li>• Rock chip samples were analysed using the industry best practice method of 50g charge fire assay with an ASS finish to determine total gold content.</li> <li>• Laboratory standards were inserted at a rate of 1 in 20. Laboratory standards and blanks are considered acceptable for QAQC for rock chip samples.</li> <li>• The magnetic survey was completed using GEM Systems GSMP35 potassium magnetometers. The survey included over 400 line kilometres. Lines were spaced at 20 m, with along line sample spacings of 0.5 m.</li> <li>• Data QAQC was performed daily by a geophysicist with 25 years' experience with magnetic surveying. Data was diurnally corrected and gridded using Geosoft software.</li> <li>• The operators were scanned for magnetic material before the start of survey, to make sure no noise was present in the data.</li> </ul>
<b>Verification of sampling and assaying</b>	<ul style="list-style-type: none"> <li>• The verification of significant intersections by either independent or alternative company personnel.</li> <li>• The use of twinned holes.</li> <li>• Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</li> <li>• Discuss any adjustment to assay data.</li> </ul>	<ul style="list-style-type: none"> <li>• Independent checks or field duplicates were not conducted and are not considered necessary for the reported rock chips results.</li> </ul>
<b>Location of data points</b>	<ul style="list-style-type: none"> <li>• Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</li> <li>• Specification of the grid system used.</li> <li>• Quality and adequacy of topographic control.</li> </ul>	<ul style="list-style-type: none"> <li>• The magnetic survey locations were recorded using a Novatel OEM715 GPS capable of tracking all GPS satellites from all constellations (GPS, Glonass etc) simultaneously. The Novatel GPS is sub-metre accurate, which is sufficient for the magnetic survey.</li> <li>• Rock chip locations were surveyed using a hand-held Garmin GPS and are</li> </ul>



Criteria	JORC Code Explanation	Commentary
		<i>accurate to within 2 m horizontally.</i>
<b>Data spacing and distribution</b>	<ul style="list-style-type: none"> <li>• <i>Data spacing for reporting of Exploration Results.</i></li> <li>• <i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i></li> <li>• <i>Whether sample compositing has been applied.</i></li> </ul>	<ul style="list-style-type: none"> <li>• <i>Rock chip samples are biased towards where the target geology crops out and are not sufficient to establish geological and grade continuity.</i></li> <li>• <i>No drilling results are included in this report.</i></li> </ul>
<b>Orientation of data in relation to geological structure</b>	<ul style="list-style-type: none"> <li>• <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i></li> <li>• <i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i></li> </ul>	<ul style="list-style-type: none"> <li>• <i>Rock chip samples were selected based on geology and alteration and are biased towards areas that are interpreted to be mineralised.</i></li> <li>• <i>No drilling results are included in this report.</i></li> </ul>
<b>Sample security</b>	<ul style="list-style-type: none"> <li>• <i>The measures taken to ensure sample security.</i></li> </ul>	<ul style="list-style-type: none"> <li>• <i>Samples were given individual identification numbers and delivered to the laboratory in Kalgoorlie by the geologist.</i></li> <li>• <i>Laboratory sample security is managed within the laboratory's analytical and quality protocols.</i></li> </ul>
<b>Audits or reviews</b>	<ul style="list-style-type: none"> <li>• <i>The results of any audits or reviews of sampling techniques and data reviews.</i></li> </ul>	<ul style="list-style-type: none"> <li>• <i>No new drilling results are included in this report.</i></li> </ul>



## Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code Explanation	Commentary
<b>Mineral tenement and land tenure status</b>	<ul style="list-style-type: none"> <li>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</li> <li>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</li> </ul>	<ul style="list-style-type: none"> <li>The Woodline Project is located approximately 160km southeast of Kalgoorlie and 110km northeast of Norseman in the Eastern Goldfields Region of Western Australia.</li> <li>The project includes the following granted Exploration Licences: E28/2633, E28/2769, E28/2873, E28/2679, E28/2768, E 8/2874, E63/1971 and E28/2923.</li> <li>The tenements are held by 79 Exploration Pty Ltd, a wholly-owned subsidiary of Nelson Resources Ltd.</li> <li>All tenements lie within the Ngadju Native Title Claim</li> <li>All the tenements are in good standing with no known impediments.</li> </ul>
<b>Exploration done by other parties</b>	<ul style="list-style-type: none"> <li>Acknowledgment and appraisal of exploration by other parties.</li> </ul>	<ul style="list-style-type: none"> <li>Systematic exploration of the area was carried out for Tropicana-style mineralisation by Newmont and Sipa Resources between 2006 and 2012. The work resulted in identification of a surficial gold anomaly that extends over a strike length of more than 30 km. Follow-up rotary air-blast drilling highlighted areas of bedrock gold, tellurium, bismuth, copper and molybdenum anomalism, with significant bedrock anomalism below the base of oxidation extending over strike lengths of 12 km and 5 km for the Redmill-Harvey and Grindall trends.</li> </ul>
<b>Geology</b>	<ul style="list-style-type: none"> <li>Deposit type, geological setting and style of mineralisation.</li> </ul>	<ul style="list-style-type: none"> <li>The geology of the Redmill, Grindall and Harvey prospects is dominated by northeast striking metagranitic and metamafic rocks of the Northern Foreland of the Albany Fraser Orogen. The prospects lie on sub-parallel curvilinear structures that dip moderately to the southeast and are interpreted to form in the hanging wall of the crustal-scale Cundeelee Fault, which is the boundary between the Yilgarn Craton and the Albany Fraser Orogen.</li> <li>Gold mineralisation is disseminated within the metagranite host and associated with thin quartz veins.</li> </ul>



Criteria	JORC Code Explanation	Commentary
<b>Drill hole Information</b>	<ul style="list-style-type: none"> <li>• A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: <ul style="list-style-type: none"> <li>○ easting and northing of the drill hole collar</li> <li>○ elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</li> <li>○ dip and azimuth of the hole</li> <li>○ down hole length and interception depth</li> <li>○ hole length.</li> </ul> </li> <li>• If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</li> </ul>	<ul style="list-style-type: none"> <li>• No new drilling results are included in this report.</li> </ul>
<b>Data aggregation methods</b>	<ul style="list-style-type: none"> <li>• In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.</li> <li>• Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</li> <li>• The assumptions used for any reporting of metal equivalent values should be clearly stated.</li> </ul>	<ul style="list-style-type: none"> <li>• No new drilling results are included in this report.</li> </ul>
<b>Relationship between mineralisation widths and intercept lengths</b>	<ul style="list-style-type: none"> <li>• These relationships are particularly important in the reporting of Exploration Results.</li> <li>• If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</li> <li>• If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').</li> </ul>	<ul style="list-style-type: none"> <li>• No new drilling results are included in this report.</li> </ul>
<b>Diagrams</b>	<ul style="list-style-type: none"> <li>• Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a</li> </ul>	<ul style="list-style-type: none"> <li>• Representative maps have been included in the report along with documentation.</li> </ul>



Criteria	JORC Code Explanation	Commentary
	<i>plan view of drill hole collar locations and appropriate sectional views.</i>	
<b>Balanced reporting</b>	<ul style="list-style-type: none"> <li>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</li> </ul>	<ul style="list-style-type: none"> <li>All of the drill results have previously been reported for the project.</li> <li>A total 122 rock chip samples were submitted for analysis. All of the rock chip sample results are shown in the diagrams in this report. The mineralised zone at West Socrates is defined by current and historic rock chip samples.</li> </ul>
<b>Other substantive exploration data</b>	<ul style="list-style-type: none"> <li>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</li> </ul>	<ul style="list-style-type: none"> <li>The Grindall, Redmill and Harvey project areas include 14,511 auger samples, 3961 RAB/Aircore holes, 84 RC holes and 5 diamond holes completed by Sipa, Newmont and MRG as well as a regional aeromagnetic survey and gravity survey.</li> <li>The work identified a gold geochemical anomaly with a strike length of 20km.</li> </ul>
<b>Further work</b>	<ul style="list-style-type: none"> <li>The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).</li> <li>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</li> </ul>	<ul style="list-style-type: none"> <li>Induced polarisation, EM (Electromagnetic) and VLF (Very Low Frequency) ground surveys are planned for the target geology units defined by the ultra-high-resolution magnetic ground survey and for the shear zone with disseminated sulphides at West Socrates.</li> <li>Drill testing of targets within the target geology units defined by the magnetics and the shear zone at West Socrates will commence as soon as these surveys are completed.</li> </ul>

